

GOVERNMENT OF INDIA
MINISTRY OF DEFENCE
DEPARTMENT OF DEFENCE PRODUCTION
LOK SABHA

UNSTARRED QUESTION NO.598
TO BE ANSWERED ON 5th February, 2020

PROJECT UNDER 'MAKE IN INDIA'

598. SHRI ASHOK MAHADEORAO NETE:

Will the Minister of DEFENCE be pleased to state:

- (a) whether 'Make in India' programme for Defence sector has been delayed and the projects are pending under the said programme;
- (b) if so, the details thereof along with the reasons therefor and the measures proposed to be taken for their immediate approval;
- (c) the names of the projects allotted to DRDO, Public Sector Undertakings (PSUs) and private companies in Defence sector;
- (d) whether the role of DRDO and Defence PSUs in this sector has been affected with the entry of private companies in Defence Sector; and
- (e) if so, the details thereof and the steps taken by the Government in this regard?

A N S W E R

MINISTER OF STATE
IN THE MINISTRY OF DEFENCE

रक्षा राज्य मंत्री

(SHRI SHRIPAD NAIK)

(श्री श्रीपाद नाईक)

(a) to (e): A statement is attached.

STATEMENT IN RESPECT OF PART (a) TO (e) OF LOK SABHA UNSTARRED QUESTION NO. 598 FOR ANSWER ON 05.02.2020 REGARDING “PROJECT UNDER ‘MAKE IN INDIA’”

(a) to (e): Capital procurement of defence equipment is undertaken from various domestic as well as foreign vendors as per extant Defence Procurement Procedure (DPP) based on threat perception, operational challenges and technological change and to keep the Armed Forces in a state of readiness to meet the entire spectrum of Security Challenges. Details of Capital Procurement through Indigenous and Foreign sources for the period 2014-15 to 2018-19 are appended below:- (figures are in Rs. Crores)

Year	Total Procurement	Procurement from Indian Vendors	Procurement from Foreign Vendors
2014-15	65,589.98	39,879.00	25,980.98
2015-16	62,341.86	39,149.63	23,192.23
2016-17	69,150.12	41,872.03	27,278.09
2017-18	72,732.29	43,696.87	29,035.42
2018-19	75,920.75	38,963.69	39,957.06

Specific provisions have been introduced in Defence Procurement Procedure (DPP)-2016 for stimulating growth of the domestic defence industry. A new category of procurement ‘Buy {Indian-IDDMM (Indigenously Designed, Developed and Manufactured)}’ has been introduced in DPP-2016 to promote indigenous design and development of defence equipments. This category has been accorded top most priority for procurement of capital equipment. Besides this, preference is being given to ‘Buy (Indian)’ and ‘Buy and Make (Indian)’ categories of capital acquisition over ‘Buy (Global)’ & ‘Buy & Make (Global)’ categories.

Government has notified the ‘Strategic Partnership (SP)’ Model which envisages establishment of long-term strategic partnerships with Indian entities through a transparent and competitive process, wherein they would tie up with global Original Equipment Manufacturers (OEMs) to seek technology transfers to set up domestic manufacturing infrastructure and supply chains.

As a result of all the above efforts, during the last 5 years i.e. 2014-15 to 2018-19 Government has accorded Acceptance of Necessity (AoN) to 204 proposals, worth Rs.4,04,949.24 Crore approximately under ‘Buy (Indian-IDDMM)’, ‘Buy (Indian)’, ‘Buy and Make (Indian)’, ‘Buy and make’, Strategic Partnership Model or ‘Make’ categories of capital procurement as per Defence Procurement Procedure (DPP). In all the above categories Indian Industry including PSUs and private sector would be engaged in defence manufacturing either through direct recipient of RFP or in collaboration with foreign OEMs and all these projects are in different stages of execution. Besides, DRDO is contributing immensely towards indigenous R&D and technology capability building and has a strong partnership with about 1800 private sector industries.
